



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB1901

Introduced 2/16/2011, by Rep. Kay Hatcher

SYNOPSIS AS INTRODUCED:

40 ILCS 5/3-101	from Ch. 108 1/2, par. 3-101
40 ILCS 5/3-146 new	
40 ILCS 5/4-101	from Ch. 108 1/2, par. 4-101
40 ILCS 5/4-141.5 new	

Amends the Downstate Police and Downstate Firefighters Articles of the Illinois Pension Code. Provides that if, after the official publication of the 2010 federal census of housing and population, an eligible municipality is for the first time required to participate under either of these Articles, then the corporate authorities of that municipality may, by resolution or ordinance adopted within 60 days after the effective date of the amendatory Act or 60 days after the official publication of the 2010 federal census of housing and population, whichever is later, elect not to participate under that Article, provided that, before the adoption of that resolution or ordinance may take place, an independent auditor must have certified that (i) a fund has not yet been created or (ii) a fund was created after the publication of the census data, but the fund does not have any outstanding liabilities or any members, participants, or beneficiaries entitled to benefits. Defines "eligible municipality". Effective immediately.

LRB097 06605 JDS 46690 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

1 AN ACT concerning public employee benefits.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by changing
5 Sections 3-101 and 4-101 and by adding Sections 3-146 and
6 4-141.5 as follows:

7 (40 ILCS 5/3-101) (from Ch. 108 1/2, par. 3-101)

8 Sec. 3-101. Creation of fund. In each municipality, as
9 defined in Section 3-103, the city council or the board of
10 trustees, as the case may be, shall, unless otherwise
11 authorized under Section 3-146, establish and administer a
12 police pension fund, as prescribed in this Article, for the
13 benefit of its police officers and of their surviving spouses,
14 children, and certain other dependents.

15 (Source: P.A. 83-1440.)

16 (40 ILCS 5/3-146 new)

17 Sec. 3-146. Election not to participate in fund following
18 2010 census.

19 (a) An eligible municipality is not subject to the
20 requirements of this Article if it elects, in accordance with
21 subsection (c) of this Section, to terminate participation
22 under this Article.

1 (b) For the purposes of this Section, "eligible
2 municipality" means a municipality that (i) did not participate
3 under this Article on January 1, 2011, (ii) had a population of
4 less than 5,000, according to the 2000 federal census of
5 housing and population, and (iii) has a population of 5,000 or
6 more, according to the 2010 federal census of housing and
7 population.

8 (c) If, after the official publication of the 2010 federal
9 census of housing and population, an eligible municipality is
10 for the first time required to participate under this Article,
11 then the corporate authorities of that municipality may, by
12 resolution or ordinance adopted within 60 days after the
13 effective date of this amendatory Act of the 97th General
14 Assembly or 60 days after the official publication of the 2010
15 federal census of housing and population, whichever is later,
16 elect not to participate under this Article, provided that,
17 before the adoption of that resolution or ordinance may occur,
18 an independent auditor must have certified (i) that a fund has
19 not yet been created under this Article for that municipality
20 or (ii) that a fund was created under this Article for that
21 municipality after the publication of the 2010 census data, but
22 that fund does not have any outstanding liabilities or any
23 members, participants, or beneficiaries entitled to benefits.

24 (d) The corporate authorities of a municipality that elects
25 not to participate under this Article may, by resolution or
26 ordinance, elect to reinstate the municipality's participation

1 in the fund at any time.

2 (40 ILCS 5/4-101) (from Ch. 108 1/2, par. 4-101)

3 Sec. 4-101. Creation of fund. In each municipality as
4 defined in Section 4-103, the city council or the board of
5 trustees, as the case may be, shall, unless otherwise
6 authorized under Section 4-141.5, establish and administer a
7 firefighters' pension fund as prescribed in this Article, for
8 the benefit of its firefighters and of their surviving spouses,
9 children and certain other dependents.

10 (Source: P.A. 83-1440.)

11 (40 ILCS 5/4-141.5 new)

12 Sec. 4-141.5. Election not to participate in fund following
13 2010 census.

14 (a) An eligible municipality is not subject to the
15 requirements of this Article if it elects, in accordance with
16 subsection (c) of this Section, to terminate participation
17 under this Article.

18 (b) For the purposes of this Section, "eligible
19 municipality" means a municipality that (i) did not participate
20 under this Article on January 1, 2011, (ii) had a population of
21 less than 5,000, according to the 2000 federal census of
22 housing and population, and (iii) has a population of 5,000 or
23 more, according to the 2010 federal census of housing and
24 population.

1 (c) If, after the official publication of the 2010 federal
2 census of housing and population, an eligible municipality is
3 for the first time required to participate under this Article,
4 then the corporate authorities of that municipality may, by
5 resolution or ordinance adopted within 60 days after the
6 effective date of this amendatory Act of the 97th General
7 Assembly or 60 days after the official publication of the 2010
8 federal census of housing and population, whichever is later,
9 elect not to participate under this Article, provided that,
10 before the adoption of that resolution or ordinance may occur,
11 an independent auditor must have certified (i) that a fund has
12 not yet been created under this Article for that municipality
13 or (ii) that a fund was created under this Article for that
14 municipality after the publication of the 2010 census data, but
15 that fund does not have any outstanding liabilities or any
16 members, participants, or beneficiaries entitled to benefits.

17 (d) The corporate authorities of a municipality that elects
18 not to participate under this Article may, by resolution or
19 ordinance, elect to reinstate the municipality's participation
20 in the fund at any time.

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.